

Narrative



Our **vision** is the elimination of all workplace injuries & illnesses.

Ontario's Workplace Safety and Insurance Board (WSIB) plays a key role in the province's occupational health and safety system. The WSIB administers no-fault workplace insurance for employers and their workers and is committed to the prevention of workplace injuries and illnesses. The WSIB provides disability benefits, monitors the quality of health care, and assists in early and safe return to work for workers who are injured on the job or contract an occupational disease.

The WSIB envisions a future when injuries and illnesses have been eliminated from all Ontario workplaces.

Workplace safety and insurance will always be a vital consideration for every worker and employer in Ontario. We see a future where all Ontarians can go to work secure in the knowledge that every possible measure has been put in place to ensure their safety.

The WSIB is working together with its partners to build a future in which workplace injuries and illnesses are a thing of the past.

About the WSIB

WSIB Offices

The WSIB is an organization of 4,411* people. It has a network of offices across Ontario – in Guelph, Hamilton, Kingston, Kitchener, London, North Bay, Ottawa, Sault Ste. Marie, St. Catharines, Sudbury, Thunder Bay, Timmins, Toronto and Windsor.

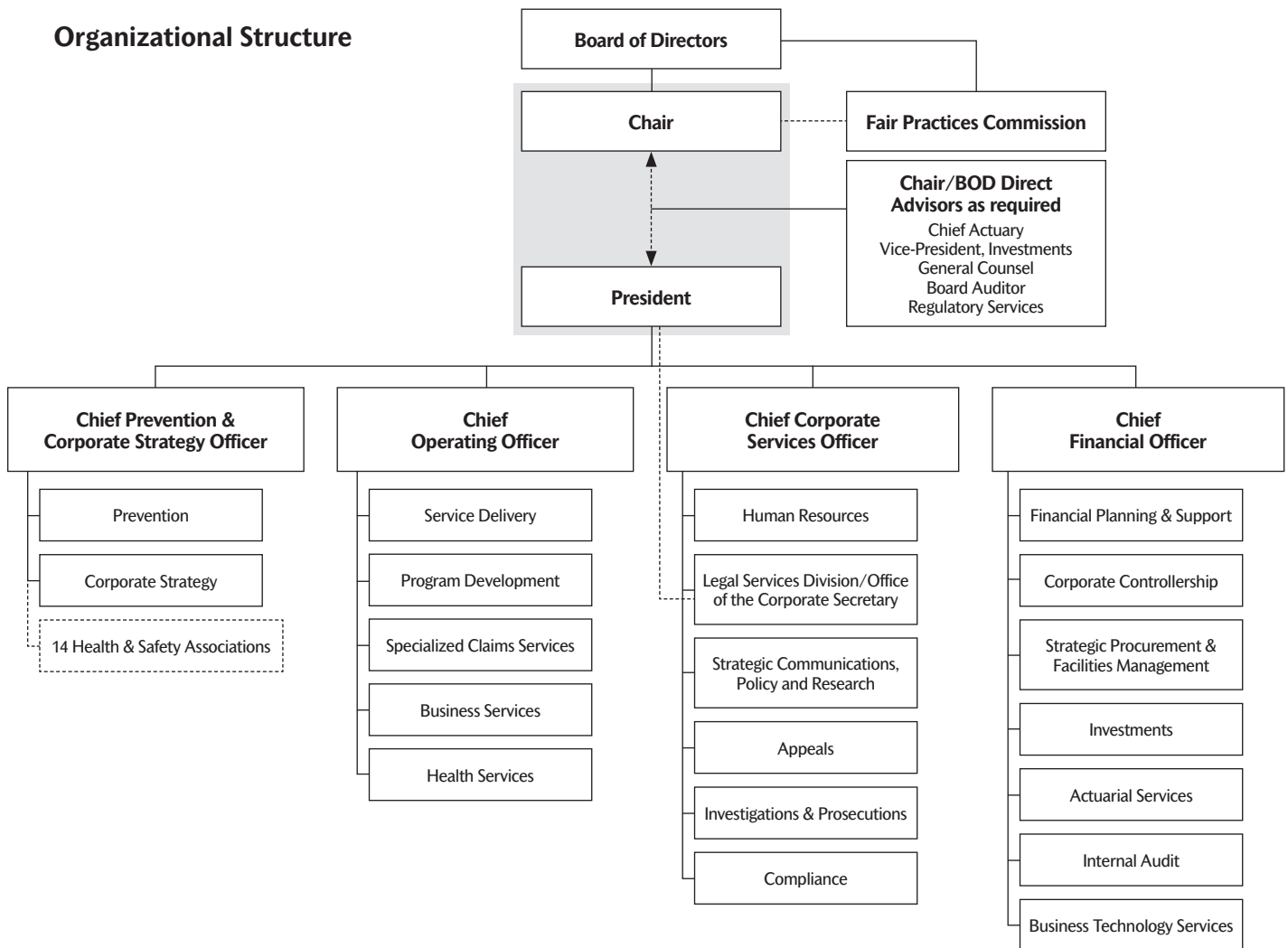
*As at December 31, 2005

The WSIB helps workers deal with the consequences of workplace injuries and illnesses – providing insurance benefits and helping them recover and return to work. The WSIB is committed to the prevention of workplace injuries and illnesses, playing a key role in Ontario’s occupational health and safety system. The WSIB:

- Administers no-fault workplace insurance for employers and their workers
- Provides benefits for injured and ill workers, and benefits for dependants of workers who have died as a result of workplace injury or illness
- Monitors the quality of health care
- Assists in early and safe return to work.

The WSIB administers the *Workplace Safety and Insurance Act* and the *Government Employees Compensation Act*.

Organizational Structure



Message from the Chair

2005 was a year of growth for the WSIB. We grew in our commitment to make Ontario workplaces healthier and safer. We grew in our ability to build effective partnerships with other agencies and with workers and employers. And we grew in our efforts to develop a comprehensive long-range strategy which will continue to improve our business today while building for the future.

The results of this growth are documented throughout this Annual Report. There are significant successes. They belong to all of us. There are continuing challenges. Those we must meet together.

Ontario continues to become a safer and healthier place to work. The frequency of lost-time injuries improved, and young workers in particular suffered from fewer workplace incidents and fatalities. These significant gains are a tribute to the dedication of thousands of employers, workers, health and safety committees, and the many agencies and associations that make up the workplace safety and insurance system. Collectively we can achieve our vision of the elimination of all workplace injuries and illnesses.

In 2005, we undertook an unprecedented initiative to engage our stakeholders. We held more than a dozen information and technical sessions with representatives of employers and workers. We laid out the challenges we face and we invited our stakeholders to work with us to design realistic and effective strategies to meet each of those challenges.

The most daunting challenge is economic. Like all agencies that provide health services, we face rising costs in delivering that care. Delivering health care has a double impact on the costs to the workplace insurance system. We pay more to support workers with existing claims and more to support workers with new claims. And we face increased liability costs for future payments. We face financial pressures also from the growing persistency of some claims. While there are fewer injuries in total, there is an increase in the complex nature of some of them, requiring longer periods of care and recovery. The aging workforce and the emergence of occupational diseases with long latency periods are two more factors driving the increase in benefit costs. Finally, we have a significant unfunded liability. We remain committed to its elimination by 2014, creating a fully funded system in Ontario.

During the information sessions we covered the challenges we face in health care, return to work, prevention, occupational disease, and experience rating. Work to improve our performance in each of those essential areas continues to be guided by the input we received through these sessions. You can see the results of those consultations reflected in our activities in 2005 and in the long-range strategies now in place to guide us ahead.

Following our discussions on the funding framework, for example, we built a funding strategy approved by the Board of Directors in July. This is a multi-year plan that will ensure the financial sustainability of the workplace safety and insurance system for many years to come. We also restated our commitment to a flat-lined administrative budget for controllable expenses in 2006.



“There are significant successes. They belong to all of us. There are continuing challenges. Those we must meet together.”

The information sessions on return to work led to the development of a return to work policy framework and a set of draft policies released in the fall for further consultation. Input from other sessions led us to set up an Adjudicative Best Practices working group, and we engaged workers and employers in improving eight of our most-used forms, including Forms 6, 7, 8. Stakeholder input guided the decision to improve designation standards for Health and Safety Associations and changes to the policy for education entitlement for surviving children.

We have learned that an open and transparent approach with stakeholders can lead to solution-based relationships. These in turn can yield new approaches and innovative ways to address the foundational issues that have posed long-term challenges to the WSIB and to the workplace safety and insurance system as a whole.

The challenges we identified have focused our work into five fundamental priorities: health and safety, return to work, service excellence, financial sustainability, and organizational excellence. Highlights of our work in 2005 in each of those areas are included in this report.

In pursuing all these priorities we continue to be guided by a set of principles. We will lead by example in striving to become the most effective public sector organization of its kind. Our commitment is based on:

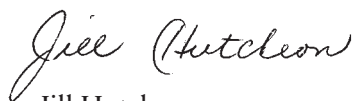
- Respect for the workers and employers of Ontario
- Fairness and equity
- Openness and transparency
- Partnership
- Responsible stewardship and governance.

The WSIB and its Board of Directors acknowledge the valued partnerships with workers, employers, Health and Safety Associations, the Ministry of Labour, the Canadian Revenue Agency, and other Ministries, agencies, and associations that share our common vision of a healthier and safer Ontario. In the sections that follow you will find details of these key partnerships.

Research continues to support the efforts of all our system partners. The Research Advisory Council and the Institute for Work and Health made several significant contributions during the year. These are summarized in the report also.

We also continue to be impressed by the dedication and commitment of our employees. Even though 2005 called for challenging decisions and difficult measures, the annual Ipsos Reid survey reflected continuing high levels of customer satisfaction among employers and injured workers.

In looking ahead to 2006 we remain confident that our collective efforts will continue to make a difference in the lives of Ontarians now and for years to come.



Jill Hutcheon
President and Interim Chair

Board of Directors

The members of the WSIB Board of Directors have a diverse range of skills and understanding, reflecting their experiences across many business and industry sectors. From left to right are: Kenneth Deane, Loretta Henderson, Patrick Dillon, Jill Hutcheon, Mark Smith, Marlene McGrath, Chris Griffin, Jim O'Neil.



Committees of the Board of Directors

The **Audit and Finance Committee** advises on financial and other reporting practices and internal controls.

The **Health and Safety Committee** advises on workplace health and safety policies, performance objectives, and measurement criteria.

The **Human Resources and Compensation Committee** advises on the health and safety of WSIB employees and the human resources function.

The **Governance and Policy Committee** advises on governance and policy matters.

The **Investment Committee** provides counsel on investment policy, monitors investment returns, and reviews the performance of investment managers and their compliance with applicable laws and regulations and their respective mandates.

Kenneth Deane *Member* (May 18, 2005 – May 17, 2008)
President & CEO, St. Joseph's Health Centre

Loretta Henderson *Member* (October 14, 2004 – October 13, 2007)
former Vice-Chair, Workplace Safety & Insurance Appeals Tribunal

Patrick Dillon *Member* (July 17, 1996 – July 16, 2007)
Business Manager of the Provincial Building and Construction Trades Council of Ontario

Jill Hutcheon *Chair, WSIB* (March 11, 2004 – until new Chair appointed)
President & Interim Chair, Workplace Safety & Insurance Board of Ontario

Mark Smith *Member* (October 14, 2004 – March 31, 2006)
Chairman, OCG Strategy and Organization Consulting

Marlene McGrath *Member* (October 14, 2004 – October 13, 2007)
Executive Director Corporate Services, General Counsel, 3M Canada Company

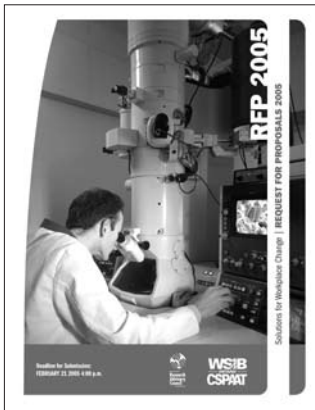
Chris Griffin *Member* (July 8, 1998 – July 7, 2006)
Fire Chief, Oshawa Fire Department

Jim O'Neil *Member* (October 14, 2004 – October 13, 2007)
National Secretary Treasurer of the Canadian Autoworkers (CAW – Canada)

We have achieved these improvements in a way that **respects** the dignity and wellbeing of **workers** and **protects** the financial sustainability of the system on behalf of **employers**.

2005 Accomplishments

We made progress in each of our five fundamental priorities during the year. Each item on the list represents a step ahead. These accomplishments reflect real growth in the effectiveness and efficiency of the overall system. We have achieved these improvements in a way that respects the dignity and wellbeing of workers and protects the financial sustainability of the system on behalf of employers.



Prevention *first fundamental*

The Research Advisory Council's 2005 *Request for Proposals*

- High Risk Firms & Last Chance Initiatives
- Research Advisory Council Grants & Research Groups
- Outcomes-based Business Plans for Health & Safety Associations
- Improvements to Experience Rating Programs
- Youth awareness campaign
- Harmonization of statistics (WSIB and Ministry of Labour)
- Road Safety campaign

Return to work *second fundamental*

The *Return to Work* identity

- Return to Work Framework
- Return to Work Draft Policies & Consultation
- Design a Demonstration Pilot on models of adjudication
- Labour Market Re-entry Strategy
- Labour Market Re-entry Service (Request For Proposals & Performance Standards)



Service excellence *third fundamental*

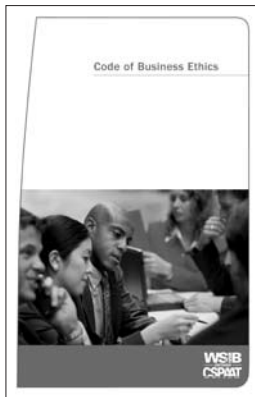
The revised *Employer's Report of Injury/Disease, Form 7*

- Education Entitlement for Surviving Children
- Form Revisions (Forms 6, 7 & 8)
- CPP Offset Policy
- Confidentiality Policies of Claim File Information
- Occupational Disease Advisory Panel Recommendations
- Health Care Review
- New Assistive Devices Guidelines
- eService Launch for Employers
- Homeowner's Brochure
- Improved Adjudication practices
- New Guide for Pre 1990 injured workers



Financial sustainability
fourth fundamental

Value for Money audit of Employer Audit
Strategic Sourcing
Canada Revenue Agency Initiative
Flat-lined, Controllable Administrative Budgets
Funding Framework
Investment Strategy Review



Organizational excellence
fifth fundamental

Code of Business Ethics

Code of Business Ethics
Healthy Workplace Initiative through the National Quality Institute
New Collective Agreements (CUPE 1750 & OMA)
Pre-Paid Leave of Absence Options
Flex-time Pilot
Workload Taskforce
Leadership Conference
Modern Management Practices
Five Year Plan – the Road Ahead



The Value of Leadership Conference was held during December, 2005.

Awards of Excellence:
Health & Safety 101 – World Health & Safety Congress
New Managers Program
Safety & Health Awareness
United Way Leadership Campaign

American Association of State Compensation Insurance Funds (AASCIF) Awards for “Across the Board” and “Ray’s Story”
WSIB Founder inducted into Hall of Fame of the International Insurance Institute

Key Partnerships

The WSIB and the Canada Revenue Agency further implemented their memorandum of understanding during 2005. This partnership, begun in 2004, helps to ensure full compliance with provincial and federal tax laws to create a level playing field for all Ontario businesses. It also benefits workers in the province by ensuring that they receive the benefits and services to which they are entitled. Using data from the CRA, the WSIB completed four registration campaigns from October 2004 to December 2005. These campaigns ensured that employers that should be registered, are registered and paying their fair share of premiums.

The WSIB used this program to register more than 7,000 businesses by year-end, generating more than \$25M worth of premiums. Employees of these businesses are now assured that they are covered by the workplace safety insurance system and will receive the full range of services and benefits.

The WSIB worked with the Ministry of Labour and the Health and Safety Associations on two complementary initiatives to identify and support high-risk companies in becoming safer and healthier. The “High Risk” and “Last Chance” programs targeted approximately 10,000 firms with the worst health and safety records. In 2005, under the “High Risk” program, 100 additional MOL inspectors concentrated on the 5,000 workplaces with the worst records. The inspectors visited each firm four times focusing on workplace hazards and compliance with health and safety legislation. The “Last Chance” program gave 5,000 workplaces a final opportunity to voluntarily improve their health and safety record. Five of the Health and Safety Associations and the WSIB contacted each of these workplaces to offer assistance and support. This assistance was intended to help selected workplaces achieve significant improvement in health and safety performance and avoid the attention of the MOL inspectors working under the “High Risk” program.

These two partnerships with the MOL, the WSIB, and the Health and Safety Associations aim to reduce workplace injuries in Ontario by 20 per cent over the four years ending in 2008.

Early indications suggest these programs have contributed positively to the overall provincial reduction in workplace injuries. Building on these early successes, we intend to strengthen the integration of partnership efforts and expand participation to achieve improvements on an even wider scale.

Research

The WSIB continues to invest in applied research focused on occupational health and safety. We fund two agencies to lead this research, the Research Advisory Council, and the Institute for Work and Health.

Research Grants Program *Solution for Workplace Change*

The WSIB Research Advisory Council (RAC) funded 13 new research proposals in 2005, increasing the number of research projects funded since the program's inception in 1999 to 104.

As new projects were being launched, projects begun in prior years were being completed. Among the projects completed in 2005 were studies of ergonomic and hygiene interventions to improve the health and safety of drywall finishing workers, managing the health and safety interests of young workers in small business, and the health and safety consequences of underemployment and contingent work

A novel approach to research grants *Bridging the Gap*

In addition, as part of its strategy to encourage the practical use of research in improving the health and safety of Ontario workplaces, the RAC launched a supplementary request for proposals (RFP) titled 'Bridging the Gap'.

Bridging the Gap's objective was to encourage short-term research and research application projects that arise out of workplace needs. The projects will generate fruitful and lasting collaborations among workplace parties, partner organizations, and researchers.

The supplementary RFP was a new and challenging experience, and the RAC was very pleased by the enthusiastic response it received from workplaces and partner organizations. The RAC funded 10 Bridging the Gap proposals. Based on the enthusiastic feedback, the RAC will reissue this special request for proposals in 2006.

Among the funded Bridging the Gap projects are the development of a special mover's pack for the moving industry, and a study of the barriers and facilitators in the spread of ergonomic innovations in the construction sector.

WSIB Centres for Research Expertise

The WSIB RAC currently funds two Centres of Research Expertise — the Centre of Research Expertise in the Prevention of Musculoskeletal Disorders (CRE-MSD), administered through the University of Waterloo, and the Centre of Research Expertise in Occupational Diseases (CRE-OD), administered through the University of Toronto and St. Michael's Hospital.

In 2005, the WSIB Research Advisory Council issued a call for proposals for new Centres of Research Expertise in four priority areas: occupational cancer, workplace mental health, the prevention of traumatic injuries, and return to work. The Council is currently reviewing the proposals.

The Institute for Work & Health supports the reduction of musculoskeletal disorders

Musculoskeletal disorders (MSDs) are serious and disabling conditions for many Ontario workers. Nearly half of all lost-time claims registered with the WSIB are the result of MSDs. Between 1996 and 2004, MSD-related compensation claims resulted in more than \$3.3 billion benefit costs.

As a research partner, the Institute for Work & Health (IWH) is making an important contribution to achieving our goal to reduce MSDs. In 2004, the WSIB provided funding support for a four-year pilot project at IWH to undertake systematic reviews of the prevention literature. These reviews use rigorous methods to review the literature on a given topic to determine “best evidence.” The evidence is synthesized and recommendations are drawn from the findings.

To date, IWH has completed a number of reviews including one that examined the effectiveness of workplace participatory ergonomic interventions to improve workers’ health. This review found these types of interventions are an effective means of reducing MSDs among Canadian workers.

The Institute also completed a review of the literature on computer-related office interventions to improve musculoskeletal and visual health. This study found that some commonly used interventions, such as rest breaks with exercise, had no effect on MSD outcomes.

Additional reviews considering the effectiveness of prevention efforts have been completed or are under way. To learn more about these reviews you can visit the Institute’s web site at www.iwh.on.ca