

**Submission To:
The Workers Compensation Board of
Manitoba regarding Extending Workers
Compensation Coverage
April 30, 2008**



**The Manitoba Chambers
Of Commerce**

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Introduction

The Manitoba Chambers of Commerce (MCC), now in its 74th year, is the umbrella organization for Manitoba's Chamber movement. With a membership comprised of local chambers as well as direct corporate members we represent, in total, approximately 10,000 businesses and 75 communities across Manitoba.

The MCC is unique amongst the business organizations that will present to you. Our organization is not confined to any specific region within Manitoba. Nor do we represent only one size of business. In fact, the MCC represents the entire spectrum of the business world, from sole proprietorships to some of the largest companies in Manitoba. Nor do we represent only one particular sector of the economy. To cite but a few examples, our membership includes representatives within the transportation industry, mining, technology, services, manufacturing and agriculture.

The MCC is a member of the Manitoba Employers Council and supports their submission regarding the expansion of mandatory workers compensation coverage.

The following are our comments regarding the expansion of WCB coverage:

First we would like to state that the MCC is very concerned with the way the government is consulting with the business community. The statement in the February 14, 2008 letter from the Chair of the Workers Compensation Board to the Employer community states that "the Manitoba Government now intends to significantly increase workers compensation coverage." This statement clearly suggests that the decision related to extending mandatory workers compensation coverage has already been made and that this consultation process is a formality rather than a sincere attempt at dialogue with the employer community. This is reflective of the way this government has consulted with the business community on other issues.

As indicated in the WCB consultation paper, the last expansion of coverage took place on January 1, 2007. The previous expansion had some merit in that higher risk workplaces that were similar in risk to those that already had mandatory coverage were brought in under the WCB umbrella. We are not aware of any new information or statistics that have come available since the last consultation to support the extension of mandatory coverage to low risk workplaces.

The MCC does not support the extension of mandatory WCB coverage to low-risk workplaces. It is our view that the Legislative Review Committee did not intend to expand coverage to low risk industry in their report “Workers Compensation for the Twenty-First Century”. Not one of the 100 recommendations in the report suggests expanding compulsory coverage to low risk workplaces. Recommendation number 8 under the section on coverage indicates that “A vigorous program should be developed by the WCB to encourage low-risk workplaces to opt into WCB coverage. To the best of our knowledge the WCB has not followed this recommendation.

If in fact WCB coverage is a product that lower risk employers want and need to remain competitive they will opt into it on a voluntary basis and mandating its coverage is not necessary. There are numerous private disability insurance products available to employers that provide the types of benefits that are outlined in the consultation paper. In addition, the imposition of mandatory coverage will result in significant additional costs to the employer, including the direct costs associated with WCB premiums and in the indirect costs associated with the time and resources required to administer the program.

In closing, the MCC recommends that the WCB and the Manitoba Government live up to the spirit and intent of the Legislative Review Committee. This means continuing to provide a product that low risk workplaces can opt into on a voluntary basis. Should the government choose to expand mandatory WCB coverage to low risk workplaces it is our view they will be doing it solely based on political agenda, in contradiction of the recommendations of the Legislative Review Committee and without any objective data to support such a decision.

Thank-you for considering our submission.

Yours truly,

Graham Starmer