Acoustical Association Ontario

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Provincial in scope ...

Provincial in outlook

Executive Director's Report

Update – Tony Dean Review of the Ontario College of Trades (OCOT)

1In the spring COCA's President, Ian Cunningham along with Directors Roger Hubbard and Paul Gunning met with Tony Dean to clarify the issues raised in COCA's written submission to Dean as part of the OCOT review. Dean has met with several hundred organizations and individuals around the province. His conclusions and recommendations will be drawn from these discussions.

Tony Dean recently provided the following comments as to the direction he seems to be heading in four (4) areas for his advise to the Government:

1. The trades and the College would benefit from **a process designed to review and update the Scopes of Practice (SOP's) for trades**. Advise will be provided on how this might be accomplished and on the sort of elements that should be included in SOP's going forward. This might be done in combination with a review of opportunities to consolidate and prune the 156 trades currently lodged with the College (some of which are inactive). Some of the important aspects of such a review, which Dean thinks should leverage the expertise of College Trade Boards and industry or other stakeholder groups, are: opportunities to update descriptions of trades; refining SOP's; discussion between trades of overlaps in their SOP's; and finding better ways to ensure SOP's and training standards remain current.

   In terms of the use of SOP's in the classification review process, Dean is considering the potential for **voluntary trades to select elements of their SOP's for the purpose of seeking compulsory status and vice versa**. This might be an alternative to the current "all or nothing" approach to SOP's in the classification review process. Dean indicates that this would in no way dilute current training or apprenticeship standards, which would remain in their full breadth and emphasizes this idea is intended to maintain the integrity of the trades; that is, not to be taken to promote the concepts of "skillsets" or "sub-trading", which have been controversial in the past.

2. **The process for reviewing the classification of trades as or compulsory** would benefit from some attention. This must be broadly perceived as inclusive, transparent, evidence - informed and even - handed. This applies to the process – including the onus and the degree of evidence available to decision-making panels, the criteria that guide decision-makers – and the way in which decisions are made. Dean is considering options in all of these areas, including the nature of the decision-making panel.

3. There continues to be a great deal of interest in the now - cyclical process for **review of journeyperson to apprentice ratios**, which currently apply to 33 trades. As with the trade classification process Dean has learned a lot from the first round of decision-making and it is broadly agreed that there are opportunities for improvement. As a starting point, Dean is looking at the origins and purpose of these ratios and the sort of criteria that would best reflect those purposes and desired outcomes. This process must also be seen to be inclusive, transparent, evidence-informed and even-handed. In this area, too, Dean is looking at the process steps from end-to-end, including the way in which decisions are made.

4. Dean is examining practices flowing from **the College's enforcement mandate**. The focus here is on those activities which clash with previous Ontario Labour Relations Board (OLRB) decisions, or with previous agreements made between workplace parties, on who-does-what on work sites. These clashes are proving to be disruptive and must be sorted out.

   As this is mostly a construction sector issue and one which, in some cases, clearly involves historical work jurisdiction interests between trade unions, Dean thinks this can be addressed without a full re-design of the College's enforcement regime. The enforcement function could benefit from some advise from stakeholders on approaches to enforcement. Second, Dean feels more work needs to be done to address the identified conflicts between the OLRB's responsibilities and that of the College's. Dean is considering several options, including a potential role for the OLRB where College enforcement activities intersect with the OLRB's responsibility to settle disputes on work jurisdiction.

COCA will continue to monitor and AAO will keep members informed.

Update - WSIB Rate Framework Reform Consultation

As advised in previous newsletters, the Workplace Safety & Insurance Board (WSIB) announced in March that it is looking to improve the rate system. The WSIB believes the current employer classification and premium rate setting approach is out-of-date, so it is proposing a preliminary Rate Framework as a starting point for consultations. The Board believes it is a plausible working model to ensure that everyone pays their fair share for workplace health and safety coverage.

COCA's WSIB – OH&S Committee, of which AAO is a member, had, this past spring, several meetings with J S Bidal and Earl Glynn Williams of the WSIB to discuss the provincial compensation agency's proposed Rate Framework Modernization.

As a result of these and other discussions, the WSIB indicated that early responses to their consultations had shown that the Construction Industry did have concerns with target rates, that three (3) groups for construction may be inadequate and with the elimination of the Second Injury and Enhancement Fund (SIEF). Given the breadth of information being consulted on and the importance of stakeholder input, the WSIB agreed that further study was required and extended the initial consultation submission deadline from June 30th to October 2nd, 2015. In addition this will result in an opportunity for the WSIB to provide additional information later this summer to further assist stakeholders in their understanding. However, the extension will not affect the overall implementation timeline.

As readers may recall, the WSIB was originally proposing to collapse the 13 construction rate groups from the current rate classification system into just three: G1- Building Construction, G2 - Infrastructure Construction and G3 - Specialty Trades. After discussions with stakeholders the Board has undertaken further study to determine if the industry should be broken out into more classifications. It has conducted its analysis and it appears that G-3 will be split out into three additional groups with about 80 risk bands (price points) in each one. It now also appears that WSIB is taking seriously the idea to maintain some form of cost relief as opposed to getting rid of SIEF.

In addition, we are waiting for the WSIB to provide information that explains how employers within a specific rate group will be classified, what target and actual premium rates will look like, and to also highlight new target rates for these groups.

The WSIB is scheduled to meet with stakeholders this fall to summarize the perspectives shared and the next steps for the initiative. COCA's WSIB – OH&S Committee will be participating and AAO will keep members informed of any developments.

Recently the WSIB issued a document titled "Rate Framework Modernization Update". It describes the consistent themes the WSIB heard from stakeholders following their in-person briefing, their webcast and various stakeholder meetings. Following are the highlights:

Risk Disparity / Expanding # of Industry Classes

Some stakeholders have responded to the WSIB questions on whether the WSIB should consider expanding the number of classes it has recommended under the proposed preliminary Rate Framework to account for what may be very different risk or claims experience within the proposed industry classes.

The WSIB has committed to an examination of the proposed classification structure to identify where risk disparity may exist, while balancing the need for large enough industry classes to ensure the resulting premium rate does not bring rate volatility from one year to the next. The approach and analysis that is being undertaken as part of its Risk Disparity Analysis may lead to a revised and greater number of classes in a new Rate Framework.

This analysis will be made public on WSIB website www.wsibrateframeworkreform.com later this summer.

Second Injury and Enhancement Fund (SIEF)

The WSIB has heard many perspectives on the recommended approach to discontinue the Second Injury and Enhancement Fund (SIEF) program. This includes the concerns raised with the recommended approach and a clear consensus that some form of cost relief is required. Some stakeholders have also highlighted some potential unintended consequences with the proposal to discontinue SIEF, while others have provided specific examples to support their view. These perspectives will assist the WSIB in making the most appropriate decision on this point.

Long Latency Occupational Disease (LLOD)

Similarly, a number of employers have shared their perspectives on how LLOD claims should be allocated under the proposed preliminary Rate Framework. The majority of stakeholders have stated that LLODs should be excluded from individual employer experience, while some have even suggested that some percentage of the LLOD costs should be borne across the whole of Schedule 1, rather than simple one industry class, given the more recent fact that the Ontario workforce moves across varying industries, and may be exposed to the drivers of LLODs across industries.

Weighting Experience Window

Some stakeholders have suggested that the proposed approach may provide an imbalance towards greater rate stability, with not enough focus rate responsiveness. To counter this perceived imbalance, some have brought forward the consideration of amending the proposed six year window by adding more weight to the claims and insurable earnings experience on the more recent years (e.g. most recent 2-3 years) and less weight on the historic years (e.g. year 4-6).

Graduated Risk Band Limits

Similarly, certain stakeholders have suggested that the WSIB explore linking the current three risk band limitation that limits year over year rate changes to provide greater rate stability, to the steps in the predictability scale (in a manner similar to the graduated per claim limit). This would see the current proposed risk band limitation of 3 risk bands (where each risk band represents a 5% increment in premium rate) vary based the predictability of employers. For example, this would suggest that the largest, most predictable employers, could see an increased risk band limitation of +/- 5 risk bands, and smaller, less predictable employers could see a reduced risk band limitation of +/- 1 or 2 risk band.

Surcharging Mechanism

A number of stakeholders have expressed their support for a special surcharge mechanism for employers who are above the premium rate cap on a sustained basis, that would see greater employer responsibility for those claims costs, rather than see the industry as a whole bear that responsibility. Similar to the approach in Alberta, some have suggested that the WSIB consider utilizing the Workwell program to work with these employers to identify and address these circumstances, towards a progressive surcharge if no improvement is seen after a number of years of effort.

Rate Group Analysis

Some stakeholders have also asked for information specific to their current rate group to help better understand how the proposed preliminary Rate Framework could differ from the current system. Specifically, they have asked the WSIB to provide information that explains how employers within a specific rate group could be classified, what target and actual premium rates could look like, and also highlight new target rates for these rate groups (e.g. the premium rate that the current rate groups ought to pay in the current system to better reflect their experience).

Similar to the Risk Disparity analysis, this Rate Group analysis will be made public by Rate Group on the WSIB website, www.wsibrateframeworkreform.com later this summer.

If you have any questions, please call me at 519-671-5930.

Thank you.

Paul Gunning
Executive Director

Remember to mark this date!

AAO's AGM September 17 to September 20, 2015

Prince of Wales Niagara-on-the-Lake